

Proceedings
at the
Annual Meeting
of Shareholders
Friday,
April 29, 1977

Canadian
Pacific
Investments
Limited

Le Château Champlain
Place du Canada
Montreal, Canada

Canadian Pacific Investments Limited
Montreal, Canada

The following is a summary of the business transacted at the Annual Meeting of Shareholders held at Montreal, Canada, on April 29, 1977.

Mr. Ian D. Sinclair, Chairman of the Company, presided at the meeting and Mr. G. S. MacLean, Secretary of the Company, acted as secretary.

After notice of the meeting had been read and the Report of the Scrutineers as to a quorum had been received, the Chairman declared the meeting to be regularly called and properly constituted for the transaction of business.

Minutes of the last Annual Meeting of Shareholders held on April 29, 1976 were confirmed.

The Auditors' Report to the Shareholders having been read, the Chairman, on behalf of the directors, placed before the meeting the Report of Directors, accompanying Consolidated Financial Statements and Report of the Auditors thereon for the year ended December 31, 1976.

The President of the Company, Mr. W. Moodie, then addressed the meeting as set out in this booklet, beginning at page 3.

The following were duly elected as Directors of the Company to hold office until the next Annual Meeting of Shareholders:

Mr. W. A. Arbuckle
Mr. F. S. Burbidge
Mr. F. E. Burnet
Mr. A. M. Campbell
Mr. Robert W. Campbell
Dr. John Macnamara
Mr. Angus A. MacNaughton
Mr. W. Moodie
Mr. S. E. Nixon
Mr. Paul L. Paré
Mr. Neil F. Phillips, Q.C.
Mr. Ian D. Sinclair
Mr. R. D. Southern
Mr. W. J. Stenason

Price Waterhouse & Co. were appointed Auditors of the Company for the ensuing year and the Board of Directors was authorized to fix the remuneration to be paid to the Auditors.

A motion of censure of the Board of Directors was made which, following discussion, remained unstated when a motion to terminate the meeting was made, seconded and carried.

After the shareholders' meeting, the directors met and elected Officers of the Company and the Executive Committee as follows:

Officers of the Company

Mr. Ian D. Sinclair, Chairman of the Company and Chief Executive Officer

Mr. W. Moodie, President

Mr. W. J. Stenason, Executive Vice-President

Mr. P. A. Nepveu, Vice-President Finance and Accounting

The Executive Committee

Mr. W. A. Arbuckle

Mr. F. S. Burbidge

Mr. A. M. Campbell

Mr. W. Moodie

Mr. Paul L. Paré

Mr. Ian D. Sinclair

Text of address by the President, Mr. W. Moodie, to the Annual Meeting of Shareholders at Montreal, Canada, April 29, 1977.

Good morning, ladies and gentlemen.

It is a pleasure for me to add my welcome to that already extended to you by the Chairman.

Canadian Pacific Investments Limited will be 15 years old this year. For the first five of those years, the company was wholly-owned by Canadian Pacific Limited. Since 1967, however, there has been growing public participation in the ownership as the convertible preferred stock was issued, as the warrants attached to that stock were exercised, and as the preferred stock has been converted into common. Incidentally, I take this opportunity to remind those still holding the preferred stock that the conversion privilege terminates on November 1 and will not be extended.

The company's relatively short life has been eventful and immensely gratifying to all who have been associated with it. Over the years the board has undergone change — chiefly in the direction of reflecting in its membership the broadening of share ownership and the growth and diversification, both in Canada and abroad, of the company's interests. Reference to the board brings me to an endorsement of the Chairman's remarks concerning Herb Pickard.

Besides his contribution as a director since 1970, Mr. Pickard has been at various times vice-president and executive vice-president of CP Investments, chairman and president of CP Hotels and latterly chairman and chief executive officer of Marathon Realty. In all of these offices he has acquitted himself with distinction. Throughout our association he has given me a full measure of help and co-operation and I thank him most sincerely.

The past year was in many respects a difficult one for your company. Nevertheless, earnings were well-sustained. Details of the results and of the major developments of the year are set out in the annual report of the directors, which was mailed to shareholders on March 23. I need not go over the ground covered there. In summary, however, I can mention that oil and gas was a major factor in maintaining earnings, as was the absence of write-offs that in 1975 resulted in a negative amount for investment income. The contribution of newly-acquired Steep Rock Iron

Mines was helpful, as were the higher earnings from logging and lumber, and real estate.

In 1976 two acquisitions in addition to Steep Rock were made which considerably broadened the company's range and will enhance its future earnings. One of these was Chateau Insurance Company, a Canadian general insurance company, which now has representation across Canada through 300 agencies and brokers. The other was Baker Commodities, a Los Angeles based rendering company serving the southwestern United States and having interests in Korea and Hawaii. In addition, the company increased to 2.4 per cent from 2.0 per cent a year earlier its direct interest in Dominion Bridge. Since the end of the year, further share purchases have raised that percentage to 5.0 per cent. The strong record of growth of Dominion Bridge supports an optimistic view of its future prospects and makes it an attractive investment.

As indicated in the annual report, proposed changes in the Bank Act will, if enacted, create a new level of competition for leasing companies and reduce their potential for growth. In view of this, it was decided to sell CanPac Leasing on favorable terms as a going concern. After considering a number of offers, the Royal Bank's was finally accepted and the sale was completed on April 1.

It is gratifying to be able to report to you today that earnings of \$43.2 million in the first quarter of 1977 set a new record. They were up \$16.6 million, or 63 per cent, over the first quarter of last year. After provision for preference dividends, earnings per common share amounted to 72 cents, compared with 45 cents a year earlier — an increase of 27 cents per share. Most of the operating companies contributed to this improvement. Income for 1976 has been restated to reflect the change from completion of contract to percentage of completion basis of accounting by an associated company, Dominion Bridge. That company's results are reported on the equity accounting basis. The restatement results in a reduction of \$228,000 in income of the first quarter of 1976, and of \$1.25 million for the full year.

Income from PanCanadian Petroleum was up \$8.4 million in the quarter. The increase was attributable to higher oil and gas prices and increased production. If heavy oil exports are allowed to continue at present rates, PanCanadian's 1977 oil production will be at

slightly higher levels than in 1976 and, despite gas marketing problems, 1977 natural gas sales are also expected to increase over 1976.

Cominco accounted for an increase of \$4.0 million in the company's first quarter income. Shipments of refined lead increased 30 per cent and the price of lead was up significantly. Zinc shipments were 11 per cent ahead of last year but zinc prices, although stable, did not increase. Sales of nitrogen, phosphate and potash products were well ahead of the same period last year. Initial shipments of ammonia and urea from Cominco's new complex at Carseland, Alberta, reached the market in April. Its Rubiales mine in Spain will be in operation by summer, as will the extension to its Con gold mine at Yellowknife. In the light of generally improving markets for its products and new production facilities, Cominco finds its prospects encouraging.

Earnings from Fording Coal were lower than in the first quarter of 1976, due chiefly to reduced sales to Japanese buyers of coking coal. The annual contract negotiations are now taking place and a conclusion is expected shortly.

Income from Great Lakes Paper was \$902,000, compared with a loss of \$1.8 million in the first quarter of last year, when the mill workers' strike was still on. Operation of the new kraft pulp mill is satisfactory, and production will increase as the usual start-up problems are overcome.

Despite general softness in markets for newsprint and pulp, Great Lakes has successfully marketed all its production, including new production as it came on stream. Due to the resurgence in housing starts, demand is increasing for the building products that Great Lakes also produces. Pacific Logging had first quarter income of \$402,000, which compared with \$174,000 in 1976. Log sales were higher and lumber prices have been trending modestly upward.

Algoma Steel's first quarter results after tax credits and equity in the earnings of the associated company were slightly higher, notwithstanding a less favorable product mix than a year ago. Income applicable to common shares was lower, however, because of dividends this year on the new preference stock issue. In the iron and steel sector, the decrease in income from Algoma was more than offset by the inclusion of income for the full quarter from Steep Rock Iron

Mines, in which control was acquired late in February, 1976, and by an increase in the company's direct equity in income of Dominion Bridge. While market conditions for steel are expected to remain soft, Algoma is undertaking measures to raise productivity and market share, which should contribute to better results.

Income from Marathon Realty was higher in the first quarter and continued steady improvement can be expected. The first quarter is never robust for hotels, and this year's depressed markets in major cities resulted in a small increase in the loss on hotel operations. There are no signs of a significant resurgence in the hotel industry.

Income from Finance was augmented as a result of the acquisition of Chateau Insurance last July. The purchase of Baker Commodities, Inc. by CanPac AgriProducts last November was the principal factor in the increase in income from Other Operations. Investment income was down because of increased interest expense and a reduction in gains on sales of investments.

Markets for major products are either currently strong or showing signs of improvement, with the notable exception of steel, where the prospects, particularly for structural steel, are not encouraging. The more favorable Canadian-U.S. dollar exchange rate is also a positive factor. Overall, the outlook for the remainder of the year is thus promising. The rate of increase experienced in the first quarter cannot be expected to be repeated, but there are good reasons for thinking that the trend will continue to be upward.

Canadian Pacific Investments has interests in many parts of the world as well as in Canada. Cominco's mineral exploration and development activities have taken that company into the United States, Australia, Spain, Ireland, Greenland, India, and Japan. Pan-Canadian Petroleum's search for oil and gas has taken it as far afield as Iran and Indonesia, the southern and western U.S., offshore Alaska, the east coast outer continental shelf and Greenland. Marathon Realty only recently embarked on its first development venture in the U.S. Baker Commodities, which I just mentioned, is based in the western U.S. CP Hotels is active in West Germany, Israel, Netherlands Antilles and Mexico. Algoma Steel has extensive coal and iron mines in the U.S., and both Algoma and Great Lakes

Paper market their products in the U.S.

Over time, we will undoubtedly be increasing the scale of our activities outside Canada. Our reason for doing so is to give us access to larger markets, and hence the advantages of economies of scale, and also to reduce our vulnerability to the fluctuations in the level of economic activity in any one country.

Still, we are, and will remain, basically a Canadian company. And the degree of our future success will depend largely on the course of economic development in Canada. We are, therefore, deeply concerned that the decisions that will determine what that course is to be are the correct ones. In our view the crucial decision, the one that is central to all others, is the role that governments are to play in economic life. We see it as an urgent requirement for economic prosperity in this country that governments' role be more circumscribed than it has been in recent times.

There have been enormous changes in the world, and in Canada, in the nearly half century since the great depression and the emergence of Keynesian economics. Those two phenomena, together with World War II, encouraged large-scale intervention by government in economic, industrial and social affairs.

Thus the world today is no longer the one that Lord Beveridge was familiar with when he wrote his famous report, with its seductive appeal of promised security from the cradle to the grave. Yet one might sometimes think that everything had stood still since then. Like generals who are said to be always preparing to fight the last war rather than the next one, many of our economists and most of our politicians appear to be prisoners of a way of thinking that events have long since made obsolete.

The radical young find encouragement in the saying that there is no stopping an idea whose time has come. I often wish that there was some effective way of stopping ideas whose time has clearly passed. One of the first of these ideas whose departure is overdue is the notion that governments are better at doing things for their citizens, than the citizens are at doing things for themselves. Time after time, high-minded schemes and nobly conceived programs turn out to have costs which are either not understood by those promoting them, or are understated, or are even deliberately obscured. Not infrequently, the costs outweigh the alleged benefits that originally made the projects attractive.

It is not hard to find examples of wonder remedies whose side effects are at least as serious as the original disease. The most obvious one is Britain's welfare state, created to right a lot of serious wrongs. But to the question, "Can social measures be anti-social?", Britain would now have to answer in the affirmative. Unfortunately, doing good is not easy; it involves not just good intentions, but sound economic sense as well.

Here at home one can find plenty of instances of things getting out of hand through an injudicious mixture of good intentions and bad economics. The extent to which civil service pensions are indexed is surely a case where the government's praiseworthy desire to be an exemplary employer overcame both its sense of responsibility to the whole community of taxpayers and its judgment as to the effect its action would have on the demands of others for pension indexing.

Or take the numerous cases in Canada of dying industries that have been "rescued" by infusions of public money. Usually this is done out of a wholly estimable desire to save jobs. However, the true cost of this kind of public philanthropy is the number of jobs that can never come into being because of diversion of resources to the lame-ducks. A country is hardly likely to better itself by starving projects with a high rate of return and putting the money into projects with a low, or no rate of return.

I can think of still other instances where, in practice, desirable programs go sadly awry and achieve an opposite effect to the one intended or desired. Unemployment insurance, initially devised to finance people between jobs, now actively discourages job-hunting and especially job-holding.

Then there is the raising of the minimum wage, to protect workers from exploitation. A worthy idea, which only an unreconstructed slave owner would be likely to oppose. But there is another side. The young, inexperienced and untrained worker may have a value to a potential employer that is less than the law tells him he has to pay. He cannot pay. So the young person joins the unemployed. It must be cold comfort to youth just out of school to be unemployed at a theoretical \$3.00 per hour, when they might be employed at an actual rate of \$2.50 per hour.

The more carefully one examines these broad-brush

attempts to deal with economic and social problems, the more disenchanted one becomes with them. Like everything, they have a price and when the time comes to pay it, it can be shockingly high.

The degree of disenchantment rises as one contemplates the size of the bureaucracies needed to manage what has become the biggest business of all — governments. Just 15 years ago, when this company was incorporated, Canada had a population of 19 million, and a total of 995,000 government employees — federal, provincial and municipal. The ratio of government servants to population served was thus roughly one to 20. Now, the population stands at 23 million, and there are 1.9 million government employees, a ratio of one to 12. Over the same period, expenditures of governments have risen from 31 per cent to 42 per cent of national income.

A further element of the cost of growth in government is incalculable. It is the time, money and effort spent by individuals and businesses in record-keeping for government agencies, in preparing reports for them, in appearing before regulatory boards and commissions. It is the energy expended in struggling for survival in the rough seas of complex legislations and forbiddingly detailed regulations and court decisions flowing therefrom. The proliferation of work required by government led someone to remark that the only law governments never seem to have heard of is the law of diminishing returns.

In the broad area of economic planning, experience is increasingly demonstrating the necessity of being wary of governments. Like so-called social security, the idea of some kind of overall national planning has an irresistible fascination for many people. This extends even to some businessmen, who think they would prefer a greater degree of certainty to the shocks of the real world. They would discover that under national planning the only real certainty was the certainty of stagnation. It may be accidental, but the three most troubled economies of western Europe — France, Great Britain and Italy — are also the three most intensively planned.

The presumption of planners, even on a small scale, has provoked one writer to note that:

"Any journalist nowadays has to be bewildered by the way in which official bodies and so-called learned institutions draw up computer models of,

say, 'energy economics in the 1980's'. These models could not conceivably reflect the range of problems and answers in the way a free market will do, even if they had several billion factors built in, and usually they have something like 43."

Because they sense a degree of public disillusionment with governments, the would-be planners are now somewhat more restrained than formerly. But the old itch is still there, and at the slightest sign of shortages or surpluses of commodities or services, or when unemployment rises, the old planning myth is trotted out again.

Am I saying we don't need plans? Of course I'm not. Businesses certainly plan. But the successful plans are those that are flexible enough to allow for changes as conditions change. They are not the grand, master plans, fixed into place come what may. They are made and re-made endlessly — a process that it would be impossible to duplicate in any national plan, even if you could find the super-managers capable of interpreting correctly what the signals are saying and then devising the correct adaptive strategies.

So my earlier catalogue of the deficiencies of grand, universalist schemes for social welfare now comes together with my critique of grand, universalist schemes for economic planning. Together they make a case for less government intervention than we have had for many years. In making that case, I do not want to have left the impression that I think that everything governments do is wrong, and everything individuals and private businesses and other organizations do is right. That is surely not my point, for we all make lots of mistakes.

The key difference is that the effects of the bad economic decisions of individuals and private organizations are limited, containable, manageable. Ailing businesses tend to wither away in the ebb and flow of the trade cycle, and the most extreme cases are removed in the bankruptcy courts. The public sector, on the other hand, has no convenient means of burying its dead, although considerable ingenuity has sometimes been exercised in covering up evidence that a fatal illness had set in.

I believe that if we are to make progress in this country, governments have to draw back from the pretentious role they have adopted, and play a more modest one. What we need is something closer to the

kind of government promised by Thomas Jefferson in his inaugural address — “A wise and frugal government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvement”.

We need to have more Canadians engaged in “pursuit of industry and improvement”, and fewer involved in regulating and administering such activities. Only in this way is there any real hope of restoring a healthy rate of economic growth without high rates of inflation. Only in this way can the individual creativity, initiative and effort of our people be mobilized to set us on a dynamic course.

We have had a profound, if costly, learning experience with big government for many years now. Viewed historically, the growth of government intervention in economic activity can be seen primarily as a response to the helplessness of individuals in coping with the destructive forces of the great depression. A response, I may say, that was heavily influenced by 100 years of European theoretical socialist doctrine. Additionally, the war, and its aftermath, sanctioned the use by governments of new and far-reaching powers which they have been loathe to give up.

But finally the tide seems to have turned. Individuals are discovering how much of their freedom has been lost, and they want some of it back. History is now on their side. But it never hurts to give history a nudge.

Finally, ladies and gentlemen, let me conclude my remarks with a tribute to the most significant element of our business. Our hopes for the future progress of CP Investments are fundamentally in the hands of the management and employees of our operating companies. The skill and dedication they have shown in the past augur well for the years ahead. On your behalf I thank them most sincerely.

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Canadian Pacific Investments Limited

Canadian Pacific Investments Limited

AUG 17 1977

To the Shareholders:

Consolidated net income for the first six months was a record \$111.2 million, an increase of \$42.0 million, or 68¢ per common share, over the same months of 1976. Extraordinary income of \$8.5 million represents the net gain on the sale of CanPac Leasing Limited in April, 1977.

Most operating sectors contributed to the increase in earnings, which reflected generally better product prices and a more favourable exchange rate on the U.S. dollar.

Income from PanCanadian Petroleum, at \$51.8 million, rose because of both higher oil and gas prices and increased volumes. Earnings from Cominco, at \$19.3 million, increased \$5.8 million mainly due to improved lead volumes and prices, while a decline in income from Fording Coal reflected decreased coal shipments to Japan. Income from Great Lakes Paper was up \$3.6 million over the first half of 1976, which was affected by the final two months of the mill workers' strike. Most of an improvement in the results of Pacific Logging came in the second quarter, due to higher production and sales. Income from Algoma Steel increased \$1.9 million, wholly attributable to the combination in the second quarter of a more favourable product mix and volume and product price increases. The consolidation of Steep Rock Iron Mines from March 1, 1976, as well as an increase in this year's pellet production, also contributed to higher earnings from Iron and Steel. Continued weak markets and strong competition accounted for further losses for CP Hotels. Higher earnings from CanPac AgriProducts reflected not only the acquisition of Baker Commodities, Inc. last November, but also better prices for animal feeds and tallow. Investment income was up as a result of gains on sales of securities in the second quarter.

In July, the Company announced the undertaking of a study looking towards the possibility of an acquisition of a majority interest in Bangor Punta Corp., a U.S.-based manufacturer of law enforcement, agricultural, recreational and industrial products and light aircraft.

Income in the last half of 1977 should be above that of the same period last year, even though the pace of earnings growth of the first six months is not expected to be maintained.

John D. Leach
President

James H. Smith
Chairman and Chief Executive Officer

President
Chief Executive Officer

Montreal, August 5, 1977

*Net income before the following: extraordinary item, depreciation, depletion, amortization, deferred income taxes, equity in income retained by associated company and outside shareholders' interest in income of subsidiaries.

Unaudited
(in thousands)

Six months ended
June 30

Quarter ended
June 30

Statement of Consolidated Income

	1977	1976	1977	1976
Oil and gas *	\$26,299	\$20,057	\$ 51,770	\$37,149
Mines and minerals *	14,210	12,358	24,320	19,509
Forest products *	3,340	1,311	4,644	(288)
Iron and steel *	7,612	4,117†	10,836	6,545†
Real estate *	3,364	3,883	5,307	5,677
Hotels and food services	(240)	180	(2,051)	(1,511)
Finance	726	430	1,789	816
Other operations	945	193	2,949	139
Investment income	3,195	122	3,044	1,123

Income before extraordinary item (after income taxes of \$42,248,000; 1976 — \$27,065,000; six months \$72,611,000; 1976 — \$42,997,000)

Extraordinary item	59,451	42,651	102,608	69,159
	8,542	—	8,542	—
Net income	\$67,993	\$42,651	\$111,150	\$69,159

Earnings per common share

Income before extraordinary item	\$0.99	\$0.72	\$1.71	\$1.17
Net income	1.13	0.72	1.85	1.17

Fully diluted earnings per common share

Income before extraordinary item	0.98		1.69	
Net income	1.12		1.83	

*After interest of outside shareholders. †Restated.

The extraordinary item in 1977 represents net gain on disposal of investment in a subsidiary.

Six months ended
June 30

Statement of Changes in Consolidated Financial Position

Source of Funds

Funds from operations *	\$247,234	\$175,846	\$247,234	\$175,846
Proceeds from sale of/(cost of acquisition of) subsidiaries	71,359	(16,922)	71,359	(16,922)
Sale of investments	3,130	1,141	3,130	1,141
Issuance of long term debt	87,351	200,044	87,351	200,044
Proceeds from disposal of properties	2,973	6,381	2,973	6,381
Issuance of preferred shares by subsidiaries	50,000	110,000	50,000	110,000
Working capital position of subsidiaries sold or acquired	18,520	8,701	18,520	8,701
	\$480,567	\$485,191	\$480,567	\$485,191

Application of Funds

Additions to properties	\$150,234	\$277,692	\$150,234	\$277,692
Additions to investments	21,683	6,062	21,683	6,062
Additions to lease receivables (net)	202	4,658	202	4,658
Reduction in long term debt	46,097	81,985	46,097	81,985
Dividends declared	20,436	18,802	20,436	18,802
Dividends paid outside shareholders of subsidiaries	19,087	15,720	19,087	15,720
Sundries (net)	9,962	14,179	9,962	14,179
Increase in working capital	212,866	66,093	212,866	66,093
	\$480,567	\$485,191	\$480,567	\$485,191

Rapport aux actionnaires

Le revenu net consolidé pour le premier semestre a atteint un record de \$111,2 millions, soit une augmentation de \$42 millions, ou 68¢ par action ordinaire, par rapport au premier semestre de 1976. Le revenu exceptionnel de \$8,5 millions représente les bénéfices nets réalisés sur la vente de Location CanPac Limitée en avril 1977.

La plupart des secteurs ont contribué à l'augmentation des recettes surtout attribuable au prix des produits et au taux de change plus favorable du dollar américain.

Les résultats de PanCanadian Petroleum se sont élevés à \$51,8 millions grâce à l'augmentation de sa production et des prix du pétrole et du gaz naturel. Les recettes de Cominco, de \$19,3 millions, ont augmenté de \$5,8 millions en raison surtout d'une hausse de la production et des prix du plomb, la baisse des recettes de Fording Coal étant imputable aux expéditions de charbon vers le Japon. Les bénéfices de Great Lakes Paper ont dépassé de \$3,6 millions ceux du premier semestre de 1976 marqué par les deux derniers mois de grève de ses ouvriers d'usines. L'amélioration des résultats de Pacific Logging surtout au cours du deuxième trimestre est attribuable à une augmentation de la production et des ventes.

Les bénéfices d'Algoma Steel ont augmenté de \$1,9 million, grâce à une diversification de ses produits, et à des hausses de production et de prix au deuxième trimestre. La consolidation de Steep Rock Iron Mines, le 1^{er} mars 1976, et l'augmentation de la production de boulettes de minerai ont également contribué à l'augmentation des recettes au poste "Fer et acier". L'état des marchés et une vive concurrence ont occasionné d'autres pertes à CP Hôtels. La hausse des recettes d'Agroproduits CanPac est attribuable à l'acquisition de Baker Commodities, Inc., en novembre dernier, et à de meilleurs prix pour le suif et les provendes. Des gains sur des ventes de valeurs mobilières au cours du deuxième trimestre ont haussé le revenu des investissements.

En juillet, la Compagnie entreprenait une étude sur la possibilité d'une participation majoritaire dans Bangor Punta Corp., fabricant américain de produits industriels, agricoles, récréatifs, d'avions légers et d'articles destinés aux corps policiers.

Les bénéfices pour le dernier semestre de 1977 devraient être supérieurs à ceux de la période correspondante de 1976, même s'il n'est pas prévu que le rythme de croissance des recettes du premier semestre se maintienne.

Le président,

Le président du conseil et
chef de la direction,

John D. Macdonald

Samuel H. Blumkin

Montréal, le 5 août 1977

Trimestre terminé le 30 juin Semestre terminé le 30 juin Non vérifiés (en milliers)

Résultats consolidés

	1977	1976	1977	1976
Pétrole et gaz naturel *	\$26 299	\$20 057	\$51 770	\$37 149
Produits miniers *	14 210	12 358	24 320	19 509
Produits forestiers *	3 340	1 311	4 644	(288)
Fer et acier *	7 612	4 117†	10 836	6 545†
Immobilier *	3 364	3 883	5 307	5 677
Hôtellerie et restauration	(240)	180	(2 051)	(1 511)
Sociétés de financement	726	430	1 789	816
Autres secteurs	945	193	2 949	139
Investissements	3 195	122	3 044	1 123

Bénéfices avant poste exceptionnel (après impôts de \$42 248 000; 1976 — \$27 065 000; six mois \$72 611 000; 1976 — \$42 997 000)

	\$9 451 8 542	42 651	102 608 8 542	69 159
Poste exceptionnel	\$67 993	\$42 651	\$111 150	\$69 159
Bénéfices nets	\$0.99	\$0.72	\$1.71	\$1.17
Bénéfices par action ordinaire	1.13	0.72	1.85	1.17
Bénéfices avant poste exceptionnel	0.98		1.69	
Bénéfices nets	1.12		1.83	

*Après intérêt d'actionnaires étrangers au groupe. †Redressé. Le poste exceptionnel, en 1977, représente le produit net réalisé sur la vente de placements dans une filiale.

Évolution de la situation financière consolidée

Rentées

	1977	1976
Produits de l'exploitation *	\$247 234	\$175 846
Produit de vente/(coût d'acquisition) de filiales	71 359	(16 922)
Ventes de placements	3 130	1 141
Dettes à long terme	87 351	200 044
Produit de vente de biens immobiliers	2 973	6 381
Émission d'actions privilégiées par les filiales	50 000	110 000
Fonds de roulement de filiales acquises ou vendues	18 520	8 701
	\$480 567	\$485 191

Sorties

	1977	1976
Biens immobiliers	\$150 234	\$277 692
Portefeuille	21 683	6 062
Locations à percevoir (net)	202	4 658
Réduction de la dette à long terme	46 097	81 985
Dividendes de l'exercice	20 436	18 802
Dividendes payés aux actionnaires étrangers des filiales	19 087	15 720
Divers (net)	9 962	14 179
Augmentation du fonds de roulement	212 866	66 093
	\$480 567	\$485 191

*Revenu net avant les postes suivants: poste exceptionnel, amortissement et épuisement, impôts reportés, quote-part des bénéfices d'une compagnie affiliée; et participation d'actionnaires étrangers aux bénéfices des filiales.

Notice of Annual Meeting of Shareholders

The Annual Meeting of the Shareholders of Canadian Pacific Investments Limited will be held on Friday, April 29th, 1977, at Le Château Champlain, Place du Canada, Montreal, Quebec at 11:00 a.m. (daylight saving time, if operative), for the following purposes:

- a. to receive the Report of the Directors, accompanying Consolidated Financial Statements and Report of the Auditors thereon, for the year ended December 31st, 1976;
- b. to elect directors;
- c. to appoint the auditors and to authorize the Board of Directors to fix their remuneration; and
- d. to transact such other business as may properly come before the meeting.

The Board of Directors has by resolution fixed the time, before which proxies to be used at the annual meeting or any adjournments thereof must be deposited at Montreal, Quebec, with the Company or the Montreal Trust Company as Agent for the Company, at twenty-four hours, excluding Saturdays and holidays, preceding the annual meeting or any adjournments thereof.

By order of the Board,
G. S. MacLean, Secretary.
Montreal, March 3rd, 1977.

Note: If you are unable to attend the meeting in person please complete and return the enclosed form of proxy.

Information Circular

(Dated as of February 28th, 1977)

Solicitation of Proxies

This information circular is furnished in connection with the solicitation by the management of Canadian Pacific Investments Limited of proxies for use at the annual meeting of shareholders of the Company to be held on Friday, April 29th, 1977, at Le Château Champlain, Montreal, Quebec, and at any adjournments thereof. The total cost of solicitation will be borne by the Company.

Appointment of Nominees and Revocation of Proxies

At all meetings of shareholders of the Company every shareholder is entitled to give one vote for each share then held by him and such vote may be given in person or by proxy whether or not the nominee appointed by such proxy is himself a shareholder.

A shareholder giving a proxy has the right under subsection 108.2(5) of the *Canada Corporations Act* to revoke the proxy by instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the head office of the Company at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of such meeting on the day of the meeting, or adjournment thereof.

Voting Shares as Specified

Shares represented by properly executed proxies in favour of the persons designated in the printed portion of the enclosed form of proxy will be voted or withheld from voting, as specified therein, on any ballot that may be called for and, where the shareholder specifies a choice with respect to any matter to be acted upon, such shares will be voted in accordance with any specification so made.

IN THE ABSENCE OF SUCH SPECIFICATION SUCH SHARES WILL BE VOTED FOR THE ELECTION OF DIRECTORS AND THE APPOINTMENT OF AUDITORS AND THE GRANTING OF AUTHORITY TO THE BOARD OF DIRECTORS TO FIX THE AUDITORS' REMUNERATION AS STATED UNDER THE HEADINGS "ELECTION OF DIRECTORS" AND "APPOINTMENT OF AUDITORS" IN THIS CIRCULAR.

Exercise of Discretion by Nominees

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting, and with respect to other matters which may properly come before the meeting. At the date of this information circular, the management of the Company knows of no such amendments, variations or other matters to come before the meeting other than the matters referred to in the notice of meeting.

Voting Shares

On February 28th, 1977, there were entitled to be voted at the meeting 59,537,058 Common Shares without nominal or par value, each carrying one vote, and 630,209 4¼% Cumulative Redeemable Convertible Voting Preferred Shares, Series A, each carrying one vote. The Company has not fixed a record date and, in accordance with the *Canada Corporations Act*, subsection 105(5), the failure of any shareholder of the Company to receive a notice of the time and place for holding a meeting of shareholders of the Company does not deprive the shareholder of a vote at the meeting if the shareholder is registered on the books of the Company at least forty-eight hours, excluding Saturdays and holidays, before the time set for the meeting.

As of February 28th, 1977, Canadian Pacific Limited owned 50,000,000 Common Shares representing 83.10% of the voting shares of the Company.

Election of Directors

The by-laws of the Company provide that the Board of Directors shall consist of fourteen directors. Each director elected will hold office until the next annual meeting of shareholders and until his successor is duly elected. The persons listed on the following page, except Mr. Neil F. Phillips, Q.C., who is not now a director, will retire as directors at the forthcoming annual meeting on April 29th, 1977, and they are eligible and will be nominated for re-election. In addition thereto, Mr. Neil F. Phillips, Q.C. is eligible and will be nominated for election as a director. The management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Information as of February 28th, 1977, as to the fourteen nominees is as follows:

Names of nominees and offices held in Company	Date on which present term of office expires	Major offices held in significant affiliated companies	Principal occupation or employment	Director since	Number of shares of Company or Canadian Pacific Limited beneficially owned
*†W. A. Arbuckle	April 29, 1977	Director — Canadian Pacific Limited	Chairman of the Company, Celanese Canada Limited, Montreal, engaged in the business of manufacturing synthetic fibres, fabrics and carpets and chemical products.	1964	10,000 Common Shares of C.P. Investments Limited 5,500 C.P. Limited Ordinary Shares
* F. S. Burbidge	April 29, 1977	Director — Canadian Pacific (Bermuda) Limited, Canadian Pacific Limited, Canadian Pacific Steamships, Limited, Canadian Pacific Transport Company, Limited, Cominco Ltd., Marathon Realty Company Limited and Soo Line Railroad Company	President, Canadian Pacific Limited, Montreal.	1972	400 Common Shares of C.P. Investments Limited 5,200 C.P. Limited Ordinary Shares
F. E. Burnet	April 29, 1977	Chairman of the Board and Director — West Kootenay Power and Light Company, Limited; Director — Cominco Ltd. and Pine Point Mines Limited	Chairman and Chief Executive Officer, Cominco Ltd., Vancouver, engaged in the business of mining, metals, chemicals and fertilizers.	1973	400 Common Shares of C.P. Investments Limited
*†A. M. Campbell	April 29, 1977	Nil	Chairman, Sun Life Assurance Company of Canada, Montreal.	1962	7,700 Common Shares of C.P. Investments Limited 2,500 C.P. Limited Ordinary Shares
Robert W. Campbell	April 29, 1977	Director — CanPac Minerals Limited, Fording Coal Limited and PanCanadian Petroleum Limited	Chairman of the Board and Chief Executive Officer, PanCanadian Petroleum Limited, Calgary, engaged in exploration, production, transportation, processing and marketing of oil and gas.	1973	200 Common Shares of C.P. Investments Limited
John Macnamara	April 29, 1977	Director — The Algoma Steel Corporation, Limited	President and Chief Executive Officer, The Algoma Steel Corporation, Limited, Sault Ste. Marie, a fully integrated iron and steel production company.	1975	200 Common Shares of C.P. Investments Limited
†Angus A. MacNaughton	April 29, 1977	Nil	Vice Chairman and Chief Executive Officer, Genstar Limited, Montreal, engaged in diversified industrial operations.	1975	1,000 Common Shares of C.P. Investments Limited
* W. Moodie, President	April 29, 1977	Vice-President and Director — Canadian Pacific Securities Limited; Director — Canadian Pacific Hotels Limited, Chateau Insurance Company, Cominco Ltd., Marathon Realty Company Limited, PanCanadian Petroleum Limited and Steep Rock Iron Mines Limited	President, Canadian Pacific Investments Limited, Montreal.	1974	700 Common Shares of C.P. Investments Limited
†S. E. Nixon	April 29, 1977	Director — Canadian Pacific (Bermuda) Limited and Cominco Ltd.	Corporate Director and Financial Consultant, Montreal.	1962	2,000 Common Shares of C.P. Investments Limited
* Paul L. Paré	April 29, 1977	Director — Canadian Pacific Limited	President and Chief Executive Officer, Imasco Limited, Montreal, a parent operating company with tobacco, food and retail divisions.	1974	5,000 Common Shares of C.P. Investments Limited 5,000 C.P. Limited Ordinary Shares
Neil F. Phillips, Q.C.		Nil	Partner, Law Firm of Phillips & Vineberg, Montreal.		250 Common Shares of C.P. Investments Limited
* Ian D. Sinclair, Chairman and Chief Executive Officer	April 29, 1977	Chairman and Director — Canadian Pacific Air Lines, Limited and Canadian Pacific Securities Limited; Vice-President and Director — Cominco Ltd. and PanCanadian Petroleum Limited; Director — Canadian Pacific (Bermuda) Limited, Canadian Pacific Limited, Canadian Pacific Steamships, Limited, Marathon Realty Company Limited, Pacific Logging Company Limited, Soo Line Railroad Company and The Great Lakes Paper Company, Limited	Chairman and Chief Executive Officer, Canadian Pacific Limited, Montreal.	1962	30,000 Common Shares of C.P. Investments Limited 7,625 C.P. Limited Ordinary Shares 1,000 C.P. Limited Pfd. Shares Series A
R. D. Southern	April 29, 1977	Nil	President and Chief Executive Officer, ATCO Industries Limited, Calgary, engaged in manufacturing.	1974	1,000 Common Shares of C.P. Investments Limited
W. J. Stenason, Executive Vice-President	April 29, 1977	Chairman and Director — CanPac Leasing Limited; President and Director — Commandant Properties, Limited; Vice-President and Director — Pacific Logging Company Limited and The Great Lakes Paper Company, Limited; Director — Baker Commodities 1976 Inc., Canadian Pacific Hotels Limited, Canadian Pacific Securities Limited, CanPac AgriProducts Limited, Chateau Insurance Company, Cominco Ltd., Marathon Realty Company Limited, PanCanadian Petroleum Limited, Steep Rock Iron Mines Limited and The Algoma Steel Corporation, Limited	Executive Vice-President, Canadian Pacific Investments Limited, Montreal.	1974	200 Common Shares of C.P. Investments Limited 1,750 C.P. Limited Ordinary Shares

*Member of Executive Committee

†Member of Audit Committee

Mr. Neil F. Phillips, Q.C. has been a Partner in the Law Firm of Phillips & Vineberg for more than five years.

Statement

Directors' and Officers' Remuneration from the Company and its Affiliates
Sub paragraph 33(r) (v) of the Canada Corporations Act Regulations

Nature of Remuneration Earned

	Directors' fees	Salaries	Bonuses	Non- accountable expense all.	Others	Total
	\$	\$	\$	\$	\$	\$
Remuneration of Directors						
(A) Number of directors: Fourteen, three of whom are officers included below						
(B) Body Corporate incurring the expense						
Canadian Pacific (Bermuda) Limited	3,500					3,500
Canadian Pacific Investments Limited	56,400					56,400
Canadian Pacific Limited	21,550					21,550
Cominco Ltd.	22,400	167,400			*1,740	191,540
Marathon Realty Company Limited		70,000				70,000
PanCanadian Petroleum Limited	4,500	125,000				129,500
Pine Point Mines Limited	2,400					2,400
Soo Line Railroad Company	2,500					2,500
The Algoma Steel Corporation, Limited	8,475	176,000				184,475
West Kootenay Power and Light Company, Limited	500	7,500				8,000
Remuneration of Officers						
(A) Number of officers: Six, three of whom are also directors						
(B) Body Corporate incurring the expense						
Canadian Pacific Investments Limited		184,800				184,800
Canadian Pacific Limited		478,620				478,620
Cominco Ltd.	14,200	15,000				29,200
Midland Simcoe Elevator Company, Limited	450					450
PanCanadian Petroleum Limited	8,250	2,600				10,850
Soo Line Railroad Company	2,000					2,000
Steep Rock Iron Mines Limited	8,550					8,550
The Algoma Steel Corporation, Limited	15,700					15,700
The Great Lakes Paper Company, Limited	8,200	4,600				12,800
Totals	\$179,575	\$1,231,520	\$	\$	\$1,740	\$1,412,835

*Cominco's portion of Employee Stock Purchase Plan

The estimated aggregate cost to the Company and its subsidiaries in 1976 of all benefits proposed to be paid under any pension or retirement plan upon retirement at normal retirement age to the persons mentioned in the foregoing table was \$55,872.

The Company has no stock option plan but one affiliate, Cominco Ltd., does grant options to certain full time employees to purchase its common shares. In 1976 Cominco made grants, dated May 1st, 1976, to expire on April 30th, 1981, covering 22,900 shares at a purchase price of \$34.99. Also in 1976 options were exercised on 4,000 shares at a price of \$25.42 and on 7,000 shares at a price of \$27.45. The price range for Cominco common shares for each calendar quarter of 1976 was:

First quarter	— \$33.00 to \$39.625	Third quarter	— \$36.75 to \$41.75
Second quarter	— \$37.00 to \$41.00	Fourth quarter	— \$32.875 to \$37.50

Remuneration of Management and Others (Continued)

In April, 1975 an Executive Incentive Performance Plan was initiated by another affiliate, PanCanadian Petroleum Limited, and was approved by the Board of Directors of that Company in August, 1975. Under the Plan certain senior officers and directors, who were then full time employees of Pan-Canadian Petroleum Limited, may be eligible for additional compensation in the event there is significant growth in the average earnings per share during the four fiscal years 1975 through 1978 and also if the market price of the common shares of PanCanadian Petroleum Limited at April 1st, 1979 is greater than the price thereof on April 1st, 1975. The Plan contemplates continuous employment with PanCanadian Petroleum Limited by the participants during the above period of time. Accordingly, whether or not any additional compensation will be payable under the Plan, and the amount thereof, will not be determinable until April, 1979.

Interest of Management and Others in Material Transactions during period January 1st, 1976 - February 28th, 1977

Canadian Pacific Investments Limited (CPI)

CPI has undertaken to guarantee the short and long term obligations of its wholly-owned subsidiary, Canadian Pacific Securities Limited, up to an amount fixed by the Board of Directors. At February 28th, 1977, the total amount guaranteed, including accrued interest, was approximately \$521,407,000.

Pursuant to an Offer mailed to the shareholders of Steep Rock Iron Mines Limited on January 19, 1976, the Company acquired 5,454,275 common shares of Steep Rock Iron Mines Limited at a price of \$3.00 per share.

On July 31, 1976, CPI purchased all the shares of Chateau Insurance Company held by Canadian Pacific Limited, or 99.9% of the outstanding capital stock, for \$4,778,000.

On November 1, 1976, CPI subscribed for 6,500,000 additional common shares of CanPac AgriProducts Limited at a value of \$1.00 per share.

In December, 1976, CPI subscribed for 87,000 additional common shares of Canadian Pacific Hotels Limited for a consideration of \$8,700,000.

During the period CPI issued \$1.5 million 5¾% income debentures, \$8.7 million 5½% income debentures and \$0.9 million 4¾% income debentures to Canadian Pacific Limited.

CPI and Cominco Ltd. have guaranteed payment of the principal and interest of bank loans made to Fording Coal Limited. The amount guaranteed as at February 28, 1977 was \$18,600,000 by CPI and \$12,400,000 by Cominco Ltd.

Canadian Pacific Securities Limited (CPSL)

During the period loans made by CPSL to CPI and its associated or affiliated companies, less loans repaid by the respective companies, were as follows:

Canadian Pacific Hotels Limited	\$14,724,000
Canadian Pacific Investments Limited	27,177,000
CanPac Leasing Limited	26,661,000
Cominco Ltd.	6,037,000
Marathon Realty Company Limited	16,385,000
Pacific Logging Company Limited	3,293,000
The Algoma Steel Corporation, Limited	40,200,000
The Great Lakes Paper Company, Limited	27,276,000

CanPac Leasing Limited (CanPac Leasing)

CanPac Leasing entered into leases with Canadian Pacific Limited, at market rates, under which the amounts receivable, including unearned income, amounted to \$2,422,699 at February 28th, 1977.

CanPac AgriProducts Limited (CanPac AgriProducts)

On November 30, 1976, CanPac AgriProducts, through its wholly-owned subsidiary Baker Commodities 1976 Inc., a Delaware corporation, acquired all the shares of Baker Commodities, Inc., a California corporation, for a total price of \$14,800,000 (U.S.).

Canadian Pacific Hotels Limited (CP Hotels)

As of January 1, 1976, CP Hotels purchased the Banff Springs Hotel and the Chateau Lake Louise from Canadian Pacific Limited for \$8,720,004.

Marathon Realty Company Limited (Marathon Realty)

On March 15, 1976, Marathon Realty purchased land at Shaughnessy Heights, Vancouver, B.C., from Canadian Pacific Limited for \$850,000 cash and a mortgage of \$2,400,000.

Appointment of Auditors

Price Waterhouse & Co. have served as auditors of the Company since January 31st, 1964 and will be nominated for reappointment to the office of auditors of the Company for a term expiring at the close of the next annual meeting of shareholders to be held in 1978 at a remuneration to be fixed by the Board of Directors.

The contents and the sending of this information circular have been approved by the directors of the Company.

G. S. MacLean, Secretary.

Dated at Montreal, Quebec, as of February 28th, 1977.

Rémunération des membres du conseil d'administration et de la haute direction (suite)

En avril 1975, une autre compagnie affiliée, PanCanadian Petroleum Limited, a établi un programme de gestion par intéressement qui a été approuvé par le conseil d'administration de cette compagnie en août 1975. Aux termes de ce programme, certains cadres supérieurs et membres du conseil d'administration alors employés à temps plein de PanCanadian Petroleum Limited pourraient avoir droit à une rémunération supplémentaire dans le cas de croissance importante des bénéfices moyens par action durant les quatre exercices fiscaux de 1975 à 1978 et également dans le cas où le cours du marché des actions ordinaires de PanCanadian Petroleum Limited au 1^{er} avril 1979 serait supérieur au cours du 1^{er} avril 1975. Il est prévu dans le programme que les participants doivent demeurer au service de PanCanadian Petroleum Limited pendant la période susmentionnée. Ainsi, il ne sera pas possible de déterminer avant avril 1979 s'il faudra verser une rémunération supplémentaire en vertu de ce programme, ni le montant de ce versement éventuel.

Participation des membres du conseil d'administration et de la haute direction aux activités du groupe pendant la période du 1^{er} janvier 1976 au 28 février 1977

Investissements Canadien Pacifique Limited (ICP)

ICP s'est engagé à garantir les obligations à court et à long terme de sa filiale en toute propriété, d'administration. Au 28 février 1977, cette garantie totale s'élevait à environ \$521 407 000, intérêts courus compris.

A la suite d'une offre postée aux actionnaires de Steep Rock Iron Mines Limited le 19 janvier 1976, la Compagnie a fait l'acquisition de 5 454 275 actions ordinaires de Steep Rock Iron Mines Limited au prix de \$3 l'action.

ICP a fait l'acquisition le 31 juillet 1976 de toutes les actions de Château Compagnie d'Assurance détenues par Canadien Pacifique Limited, soit 99,9% des actions en circulation, pour \$4 778 000.

Le 1^{er} novembre 1976, ICP a souscrit 6 500 000 actions ordinaires supplémentaires d'Agroproduits CanPac Limited au prix d'un dollar l'action.

En décembre 1976, ICP a acheté 87 000 actions ordinaires supplémentaires de Canadian Pacific Hotels Limited pour un montant de \$8 700 000.

Pendant l'exercice, ICP a émis à Canadien Pacifique Limited \$1,5 million de débentures à intérêt conditionnel, 5¼%, \$8,7 millions de débentures à intérêt conditionnel, 5½% et \$900 000 de débentures à intérêt conditionnel, 4¾%.

ICP et Cominco Ltée ont garanti le paiement du capital et de l'intérêt des emprunts bancaires de Fording Coal Limited. Au 28 février 1977, le montant garanti par ICP s'élevait à \$18 600 000 et par Cominco Ltée à \$12 400 000.

Les Valeurs Mobilières Canadien Pacifique, Limited (Les Valeurs Mobilières)

Pour la période considérée, les prêts consentis par Les Valeurs Mobilières à ICP et à ses compagnies associées ou affiliées, déduction faite des remboursements de prêts antérieurs, se répartissent comme suit:

Canadian Pacific Hotels Limited	\$14 724 000
Investissements Canadien Pacifique Limited	27 177 000
Location CanPac Limited	26 661 000
Cominco Ltée	6 037 000
La Société Immobilière Marathon, Limited	16 385 000
Pacific Logging Company Limited	3 293 000
The Algoma Steel Corporation, Limited	40 200 000
The Great Lakes Paper Company, Limited	27 276 000

Location CanPac Limited (Location CanPac)

Agroproduits CanPac, Limited (Agroproduits CanPac)

Agroproduits CanPac, par l'intermédiaire de sa filiale en toute propriété, Baker Commodities 1976 Inc., une société du Delaware, a acquis le 30 novembre 1976 toutes les actions de Baker Commodities, Inc., une société californienne, pour \$14 800 000 U.S.

Canadian Pacific Hotels Limited (CP Hotels)

Au 1^{er} janvier 1976, CP Hotels avait acheté de Canadien Pacifique Limited l'hôtel Banff Springs et le Château Lake Louise pour la somme de \$8 720 004.

La Société Immobilière Marathon, Limited (Marathon)

Canadien Pacifique Limited a vendu à Marathon le 15 mars 1976 des terrains à Shaughnessy Heights, Vancouver, C.-B., pour \$850 000 en espèces et une hypothèque de \$2 400 000. Price Waterhouse & Cie sont les vérificateurs de la Compagnie depuis le 31 janvier 1964 et la reconduction de leurs fonctions sera proposée pour l'exercice se terminant à l'issue de la prochaine assemblée générale annuelle des actionnaires de 1978, à une rémunération à fixer par le conseil d'administration.

Désignation des vérificateurs

Le contenu et l'envoi de la présente circulaire d'information ont été approuvés par le conseil d'administration de la Compagnie.

Le secrétaire, G. S. MacLean

Montréal, Québec, le 28 février 1977

Rémunération des membres du conseil d'administration et de la haute direction de la Compagnie et de ses compagnies affiliées

Sous-alinéa 33(r) (v) des règlements d'application de la Loi sur les corporations canadiennes

Nature de la rémunération

Honoraires	Salaires	Gratifications	Allocations	Autres	Total
\$	\$	\$	\$	\$	\$
des membres	Salaires	Gratifications	Allocations	Autres	Total
du conseil					
d'adminis-					
tration					

Rémunération des membres du conseil d'administration

(A) Nombre de membres: quatorze, dont trois font partie de la haute direction

(B) Payeurs:

Canadian Pacific (Bermuda) Limited	3 500				3 500
Investissements Canadien	56 400				56 400
Canadien Pacifique Limitée	21 550				21 550
Cominco Ltée	22 400	167 400		* 1 740	191 540
La Société Immobilière Marathon, Limitée		70 000			70 000
PanCanadian Petroleum Limited	4 500	125 000			129 500
Pine Point Mines Limited	2 400				2 400
Soo Line Railroad Company	2 500				2 500
The Algoma Steel Corporation, Limited	8 475	176 000			184 475
West Kootenay Power and Light Company, Limited	500	7 500			8 000

Rémunération des membres de la haute direction

(A) Nombre de membres: six, dont trois font aussi partie du conseil d'administration

(B) Payeurs:

Investissements Canadien	184 800				184 800
Canadien Pacifique Limitée	478 620				478 620
Cominco Ltée	14 200	15 000			29 200
Midland Simcoe Elevator Company, Limited	450				450
PanCanadian Petroleum Limited	8 250	2 600			10 850
Soo Line Railroad Company	2 000				2 000
Steep Rock Iron Mines Limited	8 550				8 550
The Algoma Steel Corporation, Limited	15 700				15 700
The Great Lakes Paper Company, Limited	8 200	4 600			12 800
Totaux	\$179 575	\$1 231 520	\$	\$1 740	\$1 412 835

* Quote-part de Cominco dans un programme d'option d'achat d'actions destiné à son personnel.

En 1976, le coût estimatif global pour la Compagnie et ses filiales de toutes les pensions qu'elles se proposent de payer en vertu d'un régime de pension aux personnes mentionnées sur le tableau précédent advenant leur retraite à l'âge normal, s'est élevé à \$55 872.

La Compagnie n'a pas de programme d'option d'achat d'actions mais une de ses compagnies affiliées, Cominco Ltée, offre des options d'achat de ses actions ordinaires à certains de ses employés à temps plein. En 1976, Cominco a ainsi octroyé des options d'achat, en date du 1^{er} mai 1976, expirant le 30 avril 1981, pour 22 900 actions à un prix d'achat de \$34.99. En 1976 également, des options ont été exercées pour l'achat de 4 000 actions au prix de \$25.42 et de 7 000 actions au prix de \$27.45. Les variations du cours des actions ordinaires de Cominco pour chaque trimestre de 1976 ont été les suivantes:

1^{er} trimestre: \$33 à \$39.625
2^e trimestre: \$37 à \$41
3^e trimestre: \$36.75 à \$41.75
4^e trimestre: \$32.875 à \$37.50

Noms des candidats et postes occupés dans la Compagnie	Date d'expiration du mandat	Principaux postes occupés dans d'importantes compagnies affiliées	Occupation principale	Membre du conseil depuis	Nombre d'actions de la Compagnie Limitée détenues à titre bénéficiaire
*W. A. Arbuckle	29 avril 1977	Membre du conseil d'administration — Canadian Pacific Limited	Président du conseil de la compagnie Calanese Canada Limited, Montréal (fabrication de fibres synthétiques, de tissus et tapis et de produits chimiques)	1964	10 000 actions ordinaires d'investissements C.P. Limitée 5 500 actions ordinaires de C.P. Limitée 400 actions ordinaires d'investissements C.P. Limitée
* F. S. Burbidge	29 avril 1977	Membre du conseil d'administration — Canadian Pacific (Bermuda) Limited, Canadian Pacific Steamships Limited, Canadian Pacific Transport Company Limited, Cominco Ltée, La Société Immobilière Marathon, Limitée et Soo Line Railroad Company	Président, Canadian Pacific Limited, Montréal	1972	400 actions ordinaires d'investissements C.P. Limitée 5 200 actions ordinaires de C.P. Limitée
F. E. Burnet	29 avril 1977	Président du conseil et membre du conseil d'administration — West Kootenay Power and Light Company, Limited; membre du conseil d'administration — Cominco Ltée et Pine Point Mines Limited	Président du conseil et chef de la direction, Cominco Ltée, Vancouver, (mines, métallurgie, produits chimiques, engrais)	1973	400 actions ordinaires d'investissements C.P. Limitée
*A. M. Campbell	29 avril 1977	Aucun	Président du conseil, Sun Life du Canada, compagnie d'assurance-vie, Montréal	1962	7 700 actions ordinaires d'investissements C.P. Limitée 2 500 actions ordinaires de C.P. Limitée
Robert W. Campbell	29 avril 1977	Membre du conseil d'administration — CanPac Minerals Limited, Fording Coal Limited et PanCanadian Petroleum Limited	Président du conseil et chef de la direction, PanCanadian Petroleum Limited, Calgary, (pétrole et gaz, exploration, production, traitement, transport et commercialisation)	1973	200 actions ordinaires d'investissements C.P. Limitée
John Macnamara	29 avril 1977	Membre du conseil d'administration — The Algoma Steel Corporation, Limited	Président et chef de la direction, The Algoma Steel Corporation, Limited, Sault-Sainte-Marie, (production de fer et d'acier)	1975	200 actions ordinaires d'investissements C.P. Limitée
Angus A. MacNaughton	29 avril 1977	Aucun	Vice-président du conseil et chef de la direction, Genstar Limited, Montréal, (diverses exploitations industrielles)	1975	1 000 actions ordinaires d'investissements C.P. Limitée
* W. Moodie	29 avril 1977	Vice-président et membre du conseil d'administration — Les Valeurs Mobilières Canadian Pacific, Limitée; membre du conseil d'administration — Canadian Pacific Hotels Limited, Chateau Compagnie d'Assurance, Cominco Ltée, La Société Immobilière Marathon, Limitée, PanCanadian Petroleum Limited et Steep Rock Iron Mines Limited	Président, Investissements Canadian Pacific Limited, Montréal	1974	700 actions ordinaires d'investissements C.P. Limitée
* E. Nixon	29 avril 1977	Membre du conseil d'administration — Canadian Pacific (Bermuda) Limited et Cominco Ltée	Administrateur de sociétés et conseiller financier, Montréal	1962	2 000 actions ordinaires d'investissements C.P. Limitée
* Paul L. Paré	29 avril 1977	Membre du conseil d'administration — Canadian Pacific Limited	Président et chef de la direction, Inasco Limited, Montréal, (compagnie mère d'intérêts dans les domaines du tabac, de l'alimentation et du commerce de détail)	1974	5 000 actions ordinaires de C.P. Limitée 5 000 actions ordinaires d'investissements C.P. Limitée
Neil F. Phillips, C.R.	Aucun	Aucun	Associé, Phillips & Vineberg, Montréal	1962	250 actions ordinaires d'investissements C.P. Limitée 30 000 actions ordinaires de C.P. Limitée 7 625 actions ordinaires de C.P. Limitée 1 000 actions privilégiées, série A, de C.P. Limitée
* Ian D. Sinclair	29 avril 1977	Président du conseil et membre du conseil d'administration — Lignes aériennes Canadian Pacific, Limitée et Les Valeurs Mobilières Canadian Pacific, Limitée; vice-président et membre du conseil d'administration — Cominco Ltée et PanCanadian Petroleum Limited; membre du conseil d'administration — Canadian Pacific (Bermuda) Limited, Canadian Pacific Limited, La Société Immobilière Marathon, Limitée, Pacific Steamships Limited, La Société Logging Company Limited, Soo Line Railroad Company et The Great Lakes Paper Company, Limited	Président du conseil et chef de la direction, Canadian Pacific Limited, Montréal	1962	30 000 actions ordinaires de C.P. Limitée 7 625 actions ordinaires de C.P. Limitée 1 000 actions privilégiées, série A, de C.P. Limitée
R. D. Southern	29 avril 1977	Aucun	Président et chef de la direction, ATCO Industries Limited, Calgary, (industries manufacturières)	1974	1 000 actions ordinaires d'investissements C.P. Limitée
W. J. Stenason	29 avril 1977	Président du conseil et membre du conseil d'administration — Location CanPac Limited; président et membre du conseil d'administration — Les Propriétés Commandant Limitée; vice-président et membre du conseil d'administration — Pacific Logging Company Limited et The Great Lakes Paper Company, Limited; membre du conseil d'administration — Baker Commodities 1976 Inc., Agroproduits CanPac, Limitée, Chateau Compagnie d'Assurance, Canadian Pacific Hotels Limited, Les Valeurs Mobilières Canadian Pacific, Limitée, Cominco Ltée, La Société Immobilière Marathon, Limitée, PanCanadian Petroleum Limited, Steep Rock Iron Mines Limited et The Algoma Steel Corporation, Limited	Vice-président exécutif, Investissements Canadian Pacific Limited, Montréal	1974	200 actions ordinaires d'investissements C.P. Limitée
Vice-président exécutif	29 avril 1977	Président du conseil et membre du conseil d'administration — Les Propriétés Commandant Limitée; vice-président et membre du conseil d'administration — Pacific Logging Company Limited et The Great Lakes Paper Company, Limited; membre du conseil d'administration — Baker Commodities 1976 Inc., Agroproduits CanPac, Limitée, Chateau Compagnie d'Assurance, Canadian Pacific Hotels Limited, Les Valeurs Mobilières Canadian Pacific, Limitée, Cominco Ltée, La Société Immobilière Marathon, Limitée, PanCanadian Petroleum Limited, Steep Rock Iron Mines Limited et The Algoma Steel Corporation, Limited	M. Neil F. Phillips, C.R., est un associé de l'étude Phillips & Vineberg depuis plus de cinq ans.		

Investissements Canadien Pacifique Limitée

Avis d'assemblée générale annuelle des actionnaires

L'assemblée générale annuelle des actionnaires d'Investissements Canadien Pacifique Limitée se tiendra le vendredi 29 avril au Château Champlain, Place du Canada, Montréal (Québec), à onze heures du matin (l'heure avancée, si elle est en vigueur), pour traiter les questions suivantes:

a. Examen du rapport du conseil d'administration, ainsi que des états financiers consolidés accompagnés du rapport des vérificateurs pour l'exercice clos le 31 décembre 1976;

b. Election des membres du conseil d'administration;

c. Nomination des vérificateurs et habilitation du conseil d'administration à fixer leur rémunération; d. Débat sur toute question dont l'assemblée peut normalement être saisie.

Le conseil d'administration a, par résolution, fixé à vingt-quatre heures, sans compter les samedis et jours fériés, précédant l'assemblée générale annuelle des actionnaires ou toutes assemblées qui en tiennent lieu en cas d'ajournement, le délai de dépôt à Montréal, province de Québec, à la Compagnie ou à la Compagnie Montréal Trust, agent de la Compagnie, des procurations à utiliser à cas d'ajournement.

Par ordre du conseil d'administration

Le secrétaire, G. S. MacLean

Montréal, le 3 mars 1977

N.B. S'il vous est impossible d'assister à l'assemblée, veuillez remplir et retourner la formule de procuration ci-jointe.

Circulaire d'information (au 28 février 1977)

Procurations

La présente circulaire accompagne la demande de procuration de la direction d'Investissements Canadien Pacifique Limitée pour l'assemblée générale annuelle des actionnaires qui se tiendra le vendredi 29 avril 1977 au Château Champlain, Montréal, Québec, et pour toutes assemblées qui en tiendront lieu en cas d'ajournement. Les frais de cette demande sont à la charge de la Compagnie.

Désignation des mandataires et révocation des procurations

A toutes les assemblées générales des actionnaires de la Compagnie, chacun d'eux dispose d'une voix par action et peut voter en personne ou par procuration, que le mandataire de cette procuration soit ou non actionnaire de la Compagnie.

La procuration est toujours révocable en vertu du paragraphe 108.2(5) de la Loi sur les corporations canadiennes par acte écrit de l'actionnaire ou de son fondé de pouvoir. Si les actions appartenant à une corporation, l'acte de révocation doit être revêtu de son sceau corporatif ou de la signature d'un cadre de la haute direction ou d'un fondé de pouvoir de la corporation dûment autorisé, et être déposé au siège social de la Compagnie au plus tard le dernier jour ouvrable avant l'assemblée, ou l'assemblée qui en tient lieu en cas d'ajournement, au cours de laquelle doit être utilisée la procuration, ou remis au président de ladite assemblée le jour de l'assemblée ou de l'assemblée qui en tient lieu en cas d'ajournement.

Les mandataires désignés en bonne et due forme dans la formule de procuration ci-jointe seront admis à voter, à proportion des actions représentées, ou à s'abstenir de voter si la procuration est spécifique, à toute consultation par scrutin pour laquelle le mandant, en établissant la procuration, aura précisé son choix sur la question soumise au scrutin. Leur vote sera conforme aux instructions ainsi données.

EXERCES DANS LE SENS DE LA MENTION "AUTORISER" L'ELECTION DES MEMBRES DU CONSEIL D'ADMINISTRATION, LA NOMINATION DES VERIFICATEURS ET L'HABILITATION DU CONSEIL D'ADMINISTRATION A FIXER LA REMUNERATION DES VERIFICATEURS

COMME IL EST SPECIFIE SOUS LES RUBRIQUES "ELECTION DES MEMBRES DU CONSEIL D'ADMINISTRATION" ET "NOMINATION DES VERIFICATEURS" DANS LA PRESENTE CIRCULAIRE.

Latitude laissée aux mandataires

La procuration donne aux mandataires pouvoir de se prononcer sur les modifications ou amendements apportés aux questions à l'ordre du jour, ainsi que sur les autres questions dont l'assemblée générale peut normalement être saisie. A la date de la présente circulaire d'information, la direction de la Compagnie n'a connaissance d'aucun amendement ou modification dont l'assemblée pourrait être saisie, ni de question qui ne soit prévue à l'ordre du jour.

Au 28 février 1977, il y avait 59 537 058 actions ordinaires sans valeur nominale ou au pair, donnant droit à une voix chacune à l'assemblée et 630 209 actions privilégiées remboursables et convertibles, à 4 3/4 % cumulatif, série A, donnant droit à une voix chacune. La Compagnie n'a pas fixé de date limite d'inscription, et, aux termes de la Loi sur les corporations canadiennes, paragraphe 105(5), s'il arrive qu'un actionnaire de la Compagnie n'ait pas reçu d'avis indiquant la date, l'heure et le lieu de l'assemblée générale des actionnaires de la Compagnie, il conserve son droit de vote à l'assemblée à condition de s'être inscrit aux registres de la Compagnie au moins quarante-huit heures, sans compter les samedis et jours fériés, avant l'heure d'ouverture de l'assemblée.

Actions comportant droit de vote

Au 28 février 1977, Canadien Pacifique Limitée possédait 50 000 000 d'actions ordinaires, représentant 83.1 % des droits de vote de la Compagnie.

D'après les règlements de la Compagnie, le conseil d'administration doit compter quatorze membres. Une fois élus, les membres du conseil d'administration demeurent en fonction jusqu'à la prochaine assemblée générale annuelle des actionnaires et jusqu'à ce que leur successeur soit régulièrement élu. Les personnes dont les noms figurent à la page suivante, à l'exception de leurs mandats s'achèveront à l'assemblée générale annuelle du 29 avril 1977 et, comme elles sont éligibles, leur réélection sera proposée. M. Neil F. Phillips, C.R., est également éligible et sera candidat au conseil d'administration. La direction estime que les candidats sont dignes d'occuper les fonctions de membre du conseil d'administration mais s'ils en devenaient incapables avant l'assemblée générale, pour quelque raison que ce soit, les titulaires de la procuration ci-jointe auront le droit de voter pour d'autres candidats de leur choix. Voici les renseignements en notre possession au 28 février 1977 sur les quatorze candidats:

Election des membres du conseil d'administration

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